

An Industry Perspective on Integrated Safety Management

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Ashland Chemical Company**

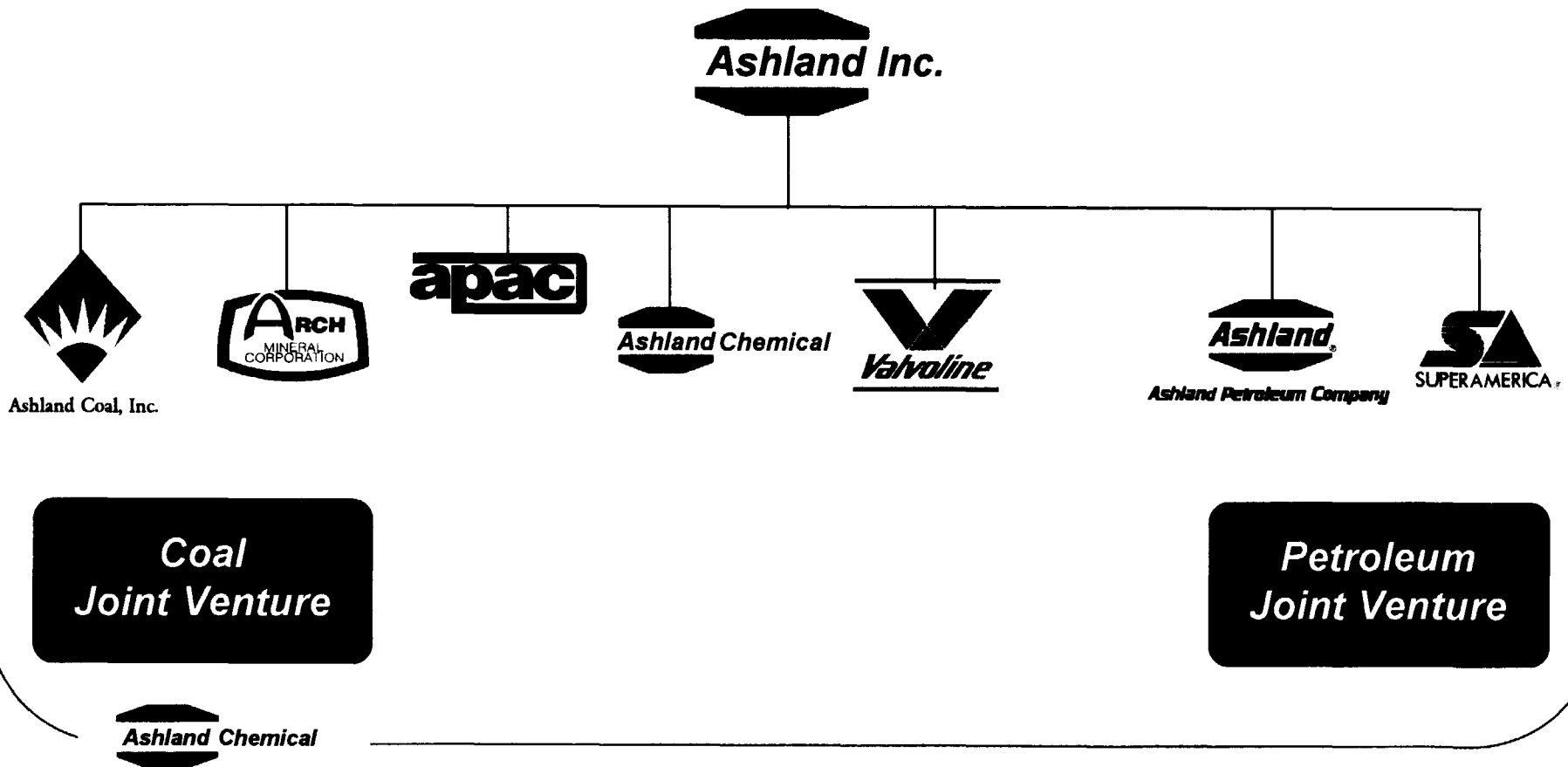


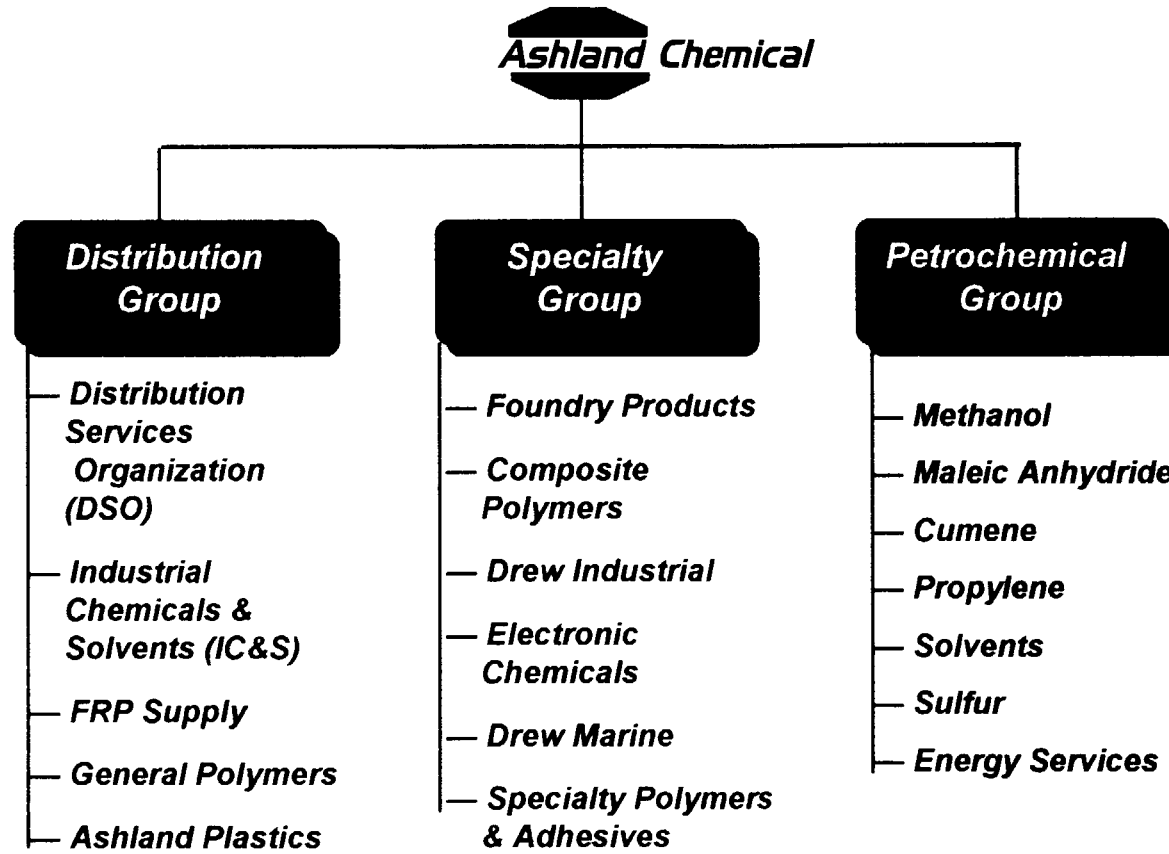


Ashland Chemical

Ashland Inc.

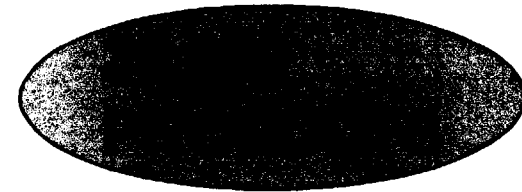
“Companies Within A Company”





Ashland Chemical

**6000
EMPLOYEES**



**60,000
CUSTOMERS**



**1,100
FIELD SALES**

**165
FACILITIES**

600 FLEET

100 COUNTRIES

Simply The Best



Success Metrics

- **Employee Satisfaction**
- **Customer Satisfaction**
- **Responsible Care**
- **ROI**
- **Growth**

Ashland Chemical Company

Shared Vision / Values

COMMUNITY

Ashland Chemical is an active and responsible member of the communities in which we operate. We obey all laws and regulations governing our operations and work in a manner that ensures the safety of our employees, our communities and our environment.

EMPLOYEES

Ashland Chemical's employees are our most valuable asset. We are committed to hire, train, develop and reward people who are enthusiastic, intelligent, hardworking team players dedicated to the company's success.

CUSTOMERS

Ashland Chemical is dedicated to achieving mutually profitable relationships with our customers and suppliers by providing quality products and services, on time and consistently, and by remaining constantly aware of changing customer needs.

SHAREHOLDERS

Ashland Chemical is a profitable, professional, responsible, growth-oriented, customer-driven team that supplies high quality products and services while maintaining sensitivity to our employees and the community.

STRATEGIC INTENT

Ashland Chemical Will Become A Customer Satisfaction-Driven Team. As A Cohesive Group Of Chemical And Plastic Businesses We Will Create Competitive Advantages By Supplying A Broader Range Of Products And Services Than Any Of Our Competitors.

Business Goals

GOAL 1

Achieve And Sustain
An Annual Growth Rate
Of 140% Of
US GOP Growth

GOAL 2

Sustain An ROI Of
Between 11% - 15% Over
The Business Cycle

EH&S Goal 1.1

Improve and Support
Acquisitions and Divestitures

EH&S Goal 1.2

Enhance and Support
Internal Growth

EH&S Goal 2.1

Improve Management
Systems

EH&S Goal 2.2

Improve Operating
Efficiency / Cost
Effectiveness

EH&S Goal 2.3

Continue to Reduce
Remediation Costs

EH&S Goal 2.4

Improve Risk Management

Process Goals

GOAL 3

Achieve And Sustain A Level
Of Employee Satisfaction In
The Top 10%
Of Industrial Companies

EH&S Goal 3.1

Continue to Pioneer
High-Performance Teams

EH&S Goal 3.2

Raise Level of Performance

EH&S Goal 3.3

Maintain the Top 10th
Percentile

GOAL 4

Achieve And Sustain A
Level Of Customer
Satisfaction In The Top 10%
Of Industrial Suppliers

EH&S Goal 4.1

Add EH&S Value to Improve
Customer Satisfaction

GOAL 5

Achieve And Sustain
EH&S Results In The
Top 10% Of The U.S.
Chemical Companies

EH&S Goal 5.1

Establish a Global
Responsible Care® Ethic

EH&S Goal 5.2

Become a Recognized Leader
in Product Stewardship and
Distribution

EH&S Goal 5.3

Improve Health and
Safety Performance

EH&S Goal 5.4

Achieve Performance in the
Top 10% of U.S. Chemical
Companies

ACC Goal #5



Responsible
Care

ACC will achieve and sustain performance in Environmental, Health and Safety practices in the top 10% of the U.S. chemical companies.

Intent

- ACC is committed to be one of the best corporate citizens in the chemical industry by demonstrating the balanced regard it has for EH&S practices as part of its key operating philosophies.

Implications

- OSHA recordables must be lowered by 50% from 220 to 110 per year, to achieve 90th percentile industry performance.
- Lower transportation and other non-ACC sites' spills.
- Achieve product stewardship and distribution code leadership.
- The incident investigations and corrective actions must be improved.
- Personal EH&S responsibility must be enforced and training continued.
- Management at all levels must be held accountable for results.
- Measurement systems must be developed by EH&S in areas of pollution prevention, CAER, process safety and product stewardship.

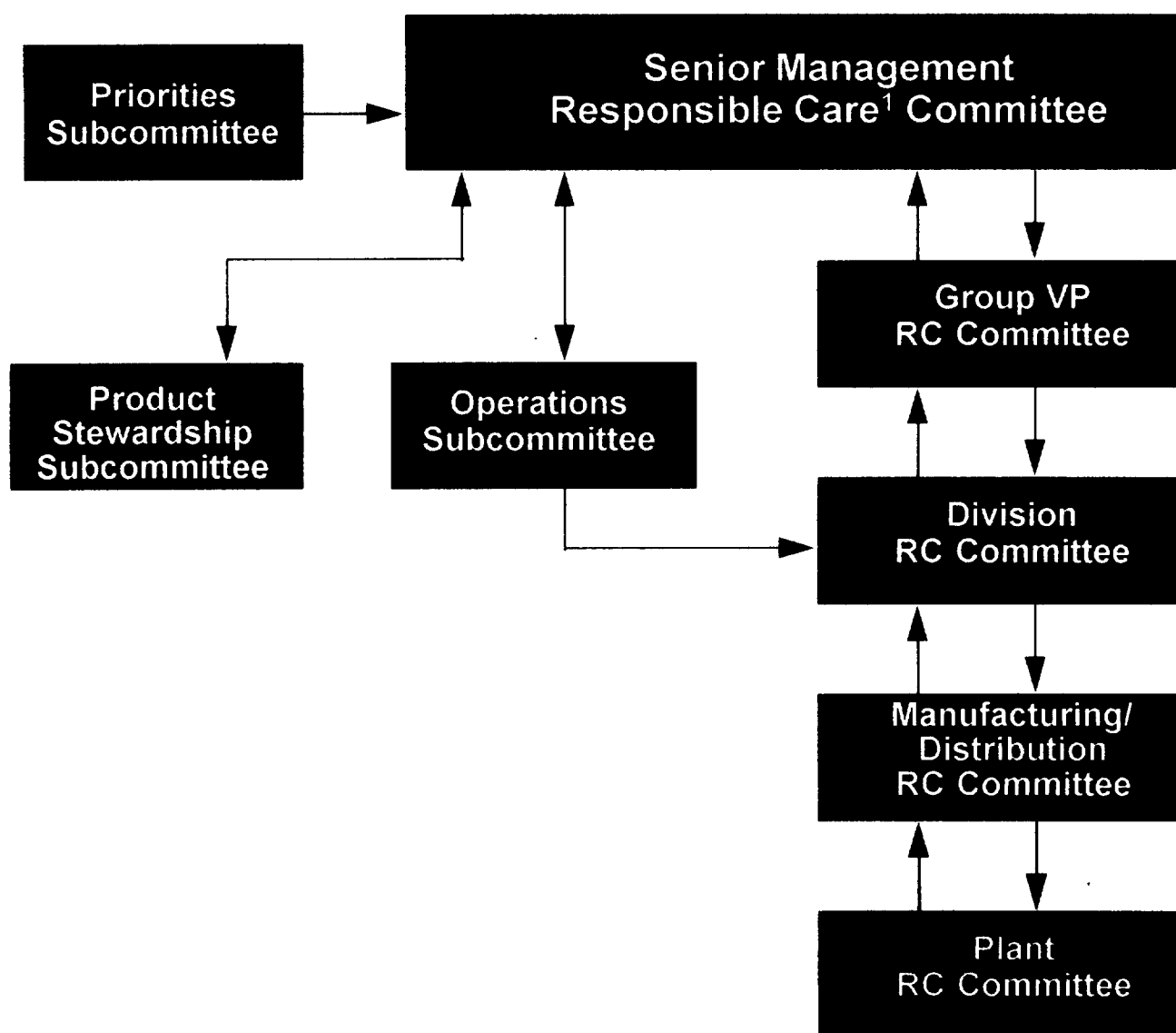
**Responsible
Care®
Code
Spectrum**



How Does Ashland Chemical Integrate Safety

- **Senior Management Involvement**
- **Interlocking Committees**
- **Responsible Care Umbrella**
- **Operations Subcommittee**
- **Benchmarking**
- **Compliance Kits**
- **Metrics**
- **Goals**
- **Management Systems Verification**
- **Auditing**

Responsible Care¹ Committee Structure



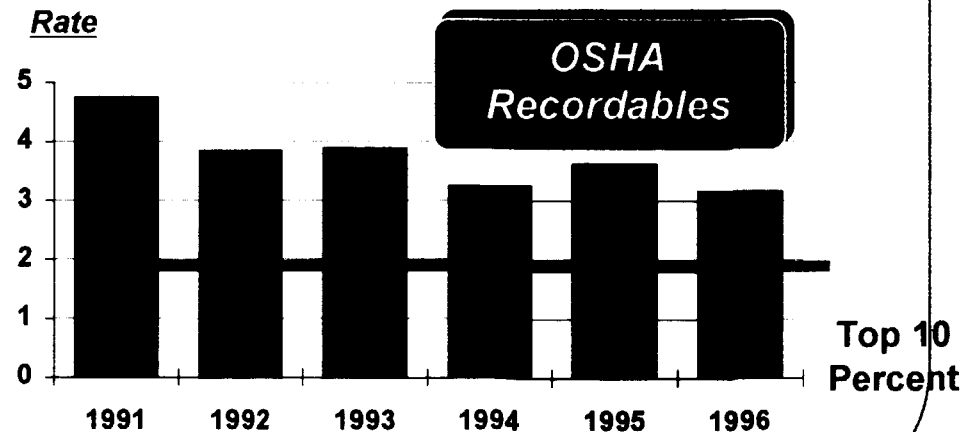
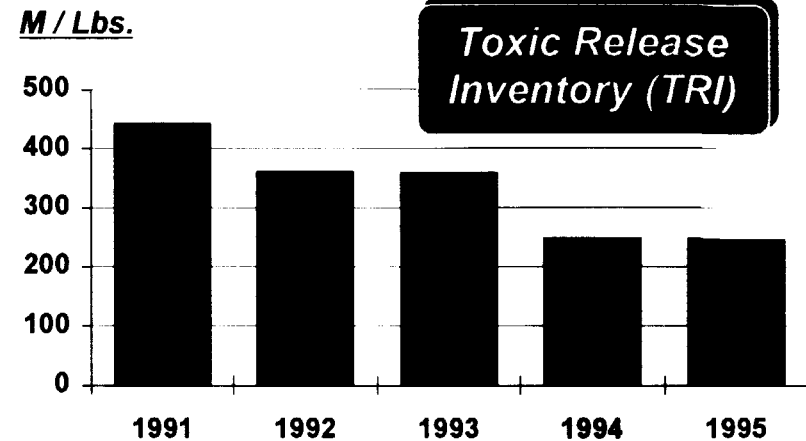
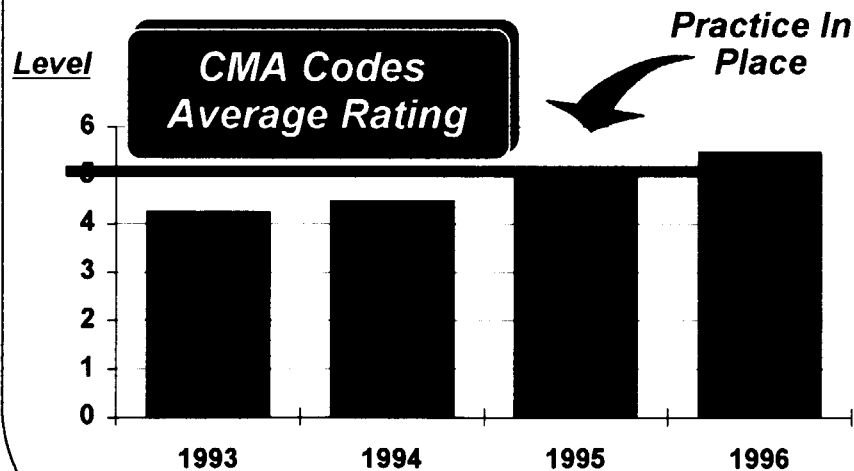
¹Responsible Care is a registered service mark of the Chemical Manufacturers Association



Responsible Care



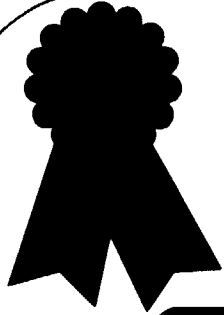
**Ashland Chemical Will Achieve
And Sustain Performance In
Environmental, Health & Safety
Practices Equal To The Top 10% Of
The U.S. Chemical Companies**



Employee Opinion Survey



	'92	'94	'95	'96
What Is Your Opinion Of Safety In Your Work Area (% Above Average)	58	58	68	69
Handling & Storage Of Hazardous Materials (% Above Average)	60	60	72	72
My Manager Is Committed To Responsible Care (% Agree)	44	72	81	81
Responsible Care Has Been Successful In Improving Ashland Chemical Company (% Agree)	36	63	72	69



Ashland Chemical's Operating Auditing Group

***"Best Of The Best" In Auditing
By A.D. Little***

- ***Alcoa***
- ***Allied Signal***
- ***Arco Chemical***
- ***ASHLAND CHEMICAL***
- ***Avenor***
- ***C.F. Industries***
- ***Imperial Oil (Canada)***
- ***Inco***
- ***Johnson & Johnson***
- ***Kodak***
- ***Olin Corp.***
- ***Union Carbide***
- ***Texaco***
- ***WMX Technologies***



Continuous Improvement

- **Process Oriented**
- **Behavior/Cultural
Management Driven→Employee Driven**
- **Compliance Focus→'at Risk' Behavior**
- **Incident Driven→Self Assessment**
- **Responsible Care Management Systems**
- **Safety Performance Improvement Teams**
- **Measurement Systems**

Management Systems Team

